

Jim Honeyford

2002 Session Report



**A report to the people of
the 15th Legislative
District, encompassing
Yakima, Klickitat and
Skamania counties.**

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**State government committees
and panels:**

- Senate Environment, Energy & Water Committee
- Senate Labor, Commerce & Financial Institutions Committee
- Senate Ways & Means Committee
- Joint Executive-Legislative Water Policy Group



Dear friends,

Despite predictions that a special session would be needed, the 2002 Legislature concluded its work within the scheduled 60-day session and adjourned on March 14. During the final days of session, the House and Senate passed a supplemental operating budget and a statewide transportation funding package that will be placed on the November ballot.

Finishing on time is a desirable goal, but it is the Legislature's responsibility to develop a responsible budget that can be maintained over time. Unfortunately, in the rush to get out on time, the Legislature avoided its responsibility and left final budget cuts to Governor Locke.

The unsustainable budget follows a disturbing trend. Until the Legislature reverses this course and starts to pass sustainable and responsible budgets, it will place state government on shaky ground for years to come.

While it makes some needed reductions in state spending in light of the state's huge revenue shortfall, the revised budget doesn't incorporate nearly enough common-sense cost-saving measures that would have prevented deeper spending cuts for essential services and programs. As a result, the supplemental budget is very disappointing, which is why I voted against it.

The budget and other issues are covered in detail inside the newsletter. If you have any questions or ideas regarding issues addressed by the Legislature, or if you need help with a problem involving state government, feel free to contact me. I look forward to assisting you.

As I noted in my session update newsletter earlier this year, the 15th Legislative District now has new boundaries. The district is moving farther west along the Columbia River Gorge, stopping just east of Washougal. However, the district no longer will include a portion of Benton County. This part of the district will be included in the revised 8th and 16th legislative districts.

So this marks my final communication with those Benton County residents who have lived in the 15th District for the past decade. I have enjoyed the people of Benton County and I consider it a privilege and honor to have represented you as a legislator for the past eight years.

Sincerely,

Jim Honeyford

The problems with the operating budget

The supplemental operating budget appropriates \$22.457 billion for spending. Revenues are estimated at \$21.045 billion. That means the budget spends about \$1.4 billion more than the state is receiving in revenues. The original two-year operating budget passed last June spent about \$700 million more than the state had in revenues. In other words, the budget is becoming even more unsustainable.

The revised operating budget also spends \$1.5 billion more than in the previous biennium.

This poorly drafted budget still spends more this biennium than in the 1999-2001 biennium. As stated above, this budget spends \$1.4 billion MORE than revenue. By not controlling spending, the majority party has set the course for an even larger budget crisis next year. Assuming no other budget emergencies occur between now and next year, we still will be \$1 billion in the hole.

Another problem with the budget is that it sells off a portion of the money from the state's share of the multi-billion dollar tobacco lawsuit settlement in exchange for \$450 million now. This is called securitization. Using the tobacco money in this manner is a gimmick. We shouldn't use one-time money for ongoing spending needs. It sets us up for disaster down the road. Estimates from the state attorney general's office show Washington would receive anywhere from 25 cents to 30 cents on the dollar for every tobacco settlement dollar securitized now.

The operating budget takes some steps to reduce costs, including a salary freeze for state employees, with the exception of the scheduled 3.6 percent raise for

K-12 teachers and community and technical college faculty, as called for by Initiative 732. Other cost-cutting steps taken include:

- A 3 percent cut in funding for state agencies and a 5 percent reduction for the House and Senate;
- A 10 percent reduction in travel costs; and
- Freezing all equipment purchases.

However, many additional steps should have been taken to reduce nonessential spending. A fellow Senate Republican member offered several options, totaling about \$1.5 billion, to reduce spending. These options included:

- Freezing hiring in nonessential services;
- Freezing most state employee pay raises or step salary increases;
- Suspending payouts for unused sick leave;
- Implementing the state auditor's findings concerning Basic Health Plan enrollee fraud;
- Reducing spending for miscellaneous goods and services by 17 percent;
- Suspending purchases of nonessential furnishings and equipment;
- Reducing in-state travel by 33 percent and out-of-state travel by 55 percent;
- Reducing consulting contracts by 17 percent;
- Reducing training retreats and conferences by 33 percent; and



Sen. Honeyford discusses a Senate floor procedure with Lt. Gov. Brad Owen.

- Reducing legislators' mailing budgets by \$6,850 each.

These are common-sense ways to reduce spending without hurting important services. In tough budget times like this, they should have been utilized.

When the Senate voted on the operating budget, I introduced two floor amendments, but they were defeated.

One would have deleted \$22.5 million in spending for state agency legislative lobbyists and miscellaneous goods and services and transferred that amount to local governments to make up or "backfill" funding losses due to the passage of Initiative 695. The amendment would have helped 34 counties, including Benton, Klickitat, Skamania and Yakima. Cities would have received 67 percent of their previous backfill money.

My other amendment would have eliminated the proposed \$4 million transfer from the local toxics control account to the state general fund. The toxics control account funds petroleum spill cleanups and meth labs. Funding should not be removed from that account.



Washington voters to have final say on statewide transportation funding package

The Legislature approved a statewide transportation funding package that is expected to raise \$7.8 billion over the next 10 years. This revenue package includes a referendum clause, so it will be placed before Washington voters this November.

The statewide funding package will raise the state gas tax by 9 cents a gallon over the next two years. It will go up 5 cents next year and then another 4 cents in 2004. Other parts of the revenue package include:

- A 1 percent sales tax increase on new and used vehicles, with

that revenue dedicated to transit, passenger-only ferries, rail (not including light rail), paratransit and commute trip reduction efforts;

- A 30 percent increase (phased in 15 percent annually over two years) on the gross weight fee for commercial trucks weighing more than 10,000 pounds; and
- Dedicating the 6.5 percent sales tax on new transportation construction projects to passenger-only ferries, paratransit, rail and commute trip reduction efforts, beginning in 2006.

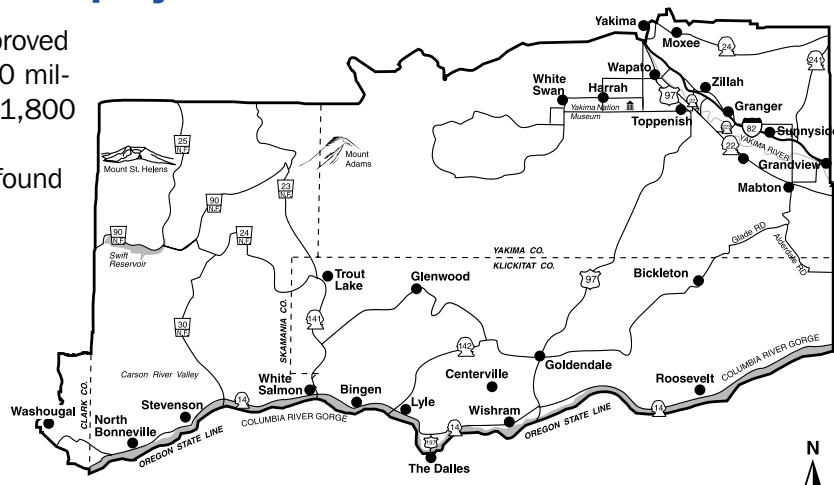
I voted against the revenue package for four reasons: 1) the proposed gas tax increase is more than many individuals and families can afford during these tough economic times; 2) more needs to be done to make the state's transportation system more efficient before we impose a large tax increase on citizens; 3) it provides too much money for transit and not enough funding for road construction; and 4) I believe the package will be detrimental to rural Washington.

Capital budget provides money for projects in 15th District

The \$2.5 billion capital construction budget approved by the Legislature focuses on jobs. It includes \$140 million in new projects. These projects will add about 1,800 private sector jobs in the workforce.

The capital budget funds the following projects found in the 15th District:

- \$125,000 for installing a potable water well and distribution lines at the Dalles Mountain Ranch;
- \$233,000 for needed preservation work at the Fort Simcoe officers quarters;
- \$1 million for City of Grandview infrastructure development; and
- \$30,000 for replacing a well operated by the Department of Fish and Wildlife in Sunnyside.



New 15th Legislative District

Legislature fails to enact meaningful water reform bill this year

When the Legislature last year passed a measure providing needed changes to the state's water permitting system, it was hailed as the most important water reform law in many years. However, that legislation only served as the beginning of an ongoing debate regarding the control and management of water.



Last fall, I was selected to participate on an 11-member panel, called the Joint Executive Legislative Water Policy Group, which was formed to explore water issues and examine the state's water policy. The panel's four objectives were to address the issues of instream flows, water for growing communities, water relinquishment issues ("use it or lose it"), and funding for water infrastructure. The water policy group met several times a week during session and received oral and written testimony from hundreds of people, including city, county and state government officials, irrigators, farmers and ranchers, water associations, environmental groups and tribal representatives.

After all of that work, a measure (EHB 2993) was rammed through the Legislature at the very end of session without including any Senate Republican input and with-

out receiving a hearing in the Senate Environment, Energy and Water Committee. For those reasons, I voted against it.

The bill's key provisions include:

- Identifying objectives for strategies developed at the local watershed level that meet certain needs;
- Authorizing reclaimed water permits for industrial reuse water; and
- Creating a Water Conservation Account for receiving federal funding dedicated to water conservation under its conservation reserve program.

A key floor amendment recognizing that the work of the water policy group needs to continue, and keeping the focus on instream flows, water for growing communities, use-it-or-lose-it policies, and funding for water infrastructure was defeated on the Senate floor.

Ag labeling bill partially vetoed

Washington-grown products might get more attention in stores under a bill that I prime-sponsored.

Under Senate Bill 6471, stores and other businesses in Washington that offer fresh fruit and vegetables for retail sale must display a placard informing consumers if it was grown either in Washington or in the United States unless the product is labeled with individual stickers or labels regarding where it was grown.

This bill aims to help agriculture by promoting Washington products. I think consumers will buy these products if they know they were grown in Washington. That in turn will help our farmers who have

faced nearly insurmountable financial problems in recent years.

The measure was approved by the Legislature, but a key provision was vetoed by Governor Locke. The vetoed provision dealt with penalties.

A first violation would have received a warning. A second violation at the same location in the same calendar year would have resulted in a \$250 fine, with a \$1,000 fine being imposed



for a third or subsequent violation at the same location in the same calendar year. By vetoing this part of the bill, the governor removed any teeth behind the requirements.

Collective bargaining rights bill will hurt budget

The Legislature and Governor Locke approved a measure (SHB 1268) giving state workers collective bargaining rights over wages, hours, and terms and conditions of employment. The proposal would let state workers begin contract negotiations in July 2004.

While our state employees work hard and deserve fair compensation, granting them collective bargaining rights will just add chaos to our state budget situation. For the following reasons, I voted against the bill.

As many people already know, the Legislature this year has had the monumental challenge of crafting a state operating budget while facing a \$1.6 billion revenue shortfall. If we're still having a revenue and budget problem by the time collective bargaining goes into effect two years from now, it will make crafting a budget about as easy as finding a needle in a haystack.

This measure will tie the Legislature's hands when it tries to write and adopt a state budget. Currently, the Legislature determines the amount of wage increases for state employees. But that power would be shifted to the governor. Once the governor and negotiators reach a deal, the Legislature can't change the terms. It can only vote to approve or reject the collective agreement package as a whole. It takes accountability out of the budget process.

Any collective bargaining agreement would be made the top budget priority, placing it ahead of nondiscretionary spending areas that are still important. These include some K-12 education programs, plus services helping kids, seniors, the mentally

ill, the developmentally disabled and others depending on government as a last resort.

While SHB 1268 contains language outlawing state employee strikes, keep in mind that we have such a state law now, but it hasn't prevented strikes or "job actions" from occurring.

Proponents of SHB 1268 point out that it would make reforms to the state's Civil Service law by reducing the number of job classifications and repealing laws giving preference to employees based on their seniority. They note that it would allow "contracting out," in which private companies could bid on work now done exclusively by state workers and protected under state law. But the bidding

provision could be bargained away in negotiations, and nothing would change.



Senator Jim Honeyford • 2002 Session Report



Rebecca Slotemaker, a junior at Sunnyside High School, served as a Senate page during the 2002 session. Rebecca was sponsored by Sen. Honeyford.

